W. C. Webb

CREDIT OF THE GOVERNMENT.

SPEECH

OF

HON. D. W. VOORHEES,

OF INDIANA,

IN THE

SENATE OF THE UNITED STATES,

JANUARY 15, 1878.

WASHINGTON.
1878.

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SPEECH

OF

HON. D. W. VOORHEES.

The resolution submitted by Mr. VOORHEES on the 13th of December, 1877, was read.

Mr. VOORHEES said:

Mr. PRESIDENT: On the 13th of December I had the honor to introduce in this body the following resolution:

Resolved, That it is of the highest importance that the financial credit of the Government be maintained, and, in order to do so, the Government itself, in all its departments, should in good faith keep all its contracts and obligations entered into with its own citizens.

And in pursuance of a notice then given I now call it up for the purpose of discussing the subject to which it relates.

The agitation of the question of finance has continued without a moment's intermission from the commencement of our present system until this hour. Nor is it likely to cease for many years to come. In fact it will never cease until the people are satisfied that our vast debt is in process of extinction upon principles of justice to tax-paying labor, or until, on the other hand, they are subjugated into silent submission and the Government itself becomes changed in spirit and form into a moneyed aristocracy. It may be that this latter alternative is to overtake us. There are dark and plentiful omens in our recent history indicating such a conclusion, and there is a numerous and powerful class in our midst who believe, as Alexander Hamilton declared, that the British government, on this as well as on other points, is the best ever devised by the wisdom of man. Those entertaining this opinion have thus far triumphed in the financial legislation of the United States and the time has now arrived when their victories must be reversed or soon this Government will cease to be republican and the people no longer be free.

The policy of this victorious interest in this country, as in all others, has been vigilant for opportunities of greed and gain, and aggressive in appropriating them to its own advantage. In its tenacious pursuit of this policy it has during the last sixteen years pressed its cruel and unjust demands upon the American people in a variety of shapes. Just now it assumes a manner swollen with arrogance, haughty, defiant, and filled with insolence toward all opponents. Those who are ranged on the side of grasping wealth affect a high disdain for such as choose to remember that labor has rights which this Government is called upon to protect. There seems to be an immense sneer on the face of sordid, inactive capital, as if its pretensions were beyond the criticism of ordinary mortals. Its advocates outside of Congress do not condescend, as a general thing, to argument at all.

Denunciation is now their principal weapon. There is no epithet however base, no insinuation however infamous that is not of daily use against all who dare to differ in opinion with them. A curious spectacle is presented on this subject by a large portion of the eastern press, here and there aided by a newspaper in the West. Their columns reek from day to day with clamorous abuse of all who venture to believe as I do that, to a great extent, our whole financial system is an organized crime against the laboring, tax-paying men and women of the United States. Those who think as I do that a great work of financial reform is demanded in order to secure the people from slavery in fact, if not in name, are denounced in the same spirit, and in the exact language with which every old criminal abuse in government, throughout all history, has sought to paralyze the work of reformation and beat back the tide of human progress. Wherever in the annals of the human race unholy avarice has built its strongholds and privileged classes have intrenched themselves; wherever superstition has held the human mind in bondage for the benefit of spiritual tyrants; wherever man in any way has had unlawful mastery over his fellow-man and gathered in what belonged to another, there the same cry which we now hear has always been raised against any intrusion or disturbance of established and venerable iniquity. Nor does the parallel stop here. The great plea of the present hour for the continuation of wrong and injustice is that good faith requires it. Those who, finding a monstrous evil imbedded in the laws of their country, wish to eradicate it by peaceful legislation are at once and with the utmost fury assaulted as violators of the public faith, enemies of the national honor, and worse if possible than common swindlers. It matters not how deep and burning the outrage may be or how fraudulently it may have crept into our statutes, good faith, in the estimation of those who profit by the outrage, requires it to remain there forever, though it should aid day by day the ghastly work of ruin that now pervades the land. When the peasantry of France, in 1789, worn out with the extortions of five centuries, arose against king, priests, and nobles, they were told that they were breaking the faith of the nation which had been pledged a thousand times for their silent submission to any wrong, in person or property, however horrible or indescribable. Whenever the starving people of Ireland, in the dreary centuries of the past, have grown uneasy in their bondage and struggled against their fetters, they have been fiercely reminded that the good faith of England is solemnly pledged to maintain existing laws and perpetual abuses.

Sir, this plea, so loud now in our ears, has been invoked in behalf of every wickedness that ever cursed the world. The usurper invokes it to protect the throne he has stolen, as soon as he is seated. The tyrant invokes it to shelter his prerogative, and his nobility in turn invoke it in order to live in ease and splendor off the labor of others. It is my purpose on this occasion, however, to show what the obligations of good faith require of us on the great question of our finances, and to arraign those who have systematically broken it whenever their interest prompted them to do so. It is my purpose also to show that while it is of the highest importance to maintain our financial credit, it can only be done by the Government keeping all its contracts and obligations with its own citizens. This issue has been presented of late in a manner so persistent and offensive, especially to western men and western interests, that it shall now be met as far as my humble capacity enables me to meet it.

Sir, I appeal to the history of our financial legislation. I challenge

its solemn records for judgment against the actual repudiators of national faith and honor. Its pages contain the facts, the immutable facts, from which the future historian will judge this question. Let us candidly review them. The act of February 25, 1862, is the beginning of our bonded debt. The precious metals were found to be unequal to the emergency of war. Specie payments were abandoned as soon as the hour of trial came, and gold and silver cowered in the rear, while the legal-tender dollar went to the front with the flag and staid there. I was among those who doubted our right to issue it, but experience has shown it the best money, all things considered, that ever circulated on American soil. By this act of February, 1862, and by similar legislation at subsequent periods, every bond issued by the Government which did not on its face stipulate for payment in coin was made payable by the express words of law in legal-tender notes. It was plainly written in the statute that these notes, now known as greenbacks, "shall be receivable in payment of all taxes, internal duties, excise, debts, and demands of every kind due to the United States, except duties on imports; and of all claims and demands against the United States of every kind whatever, except for interest upon bonds and notes, which shall be paid in coin; and shall also be lawful money and a legal tender in payment of all debts, public and private, within the United States, except duties on imports and interest as aforesaid."

This simple, explicit, and at the same time comprehensive enactment guaranteed to the American people the right to pay three-fourths of their national debt in national currency. It was the law of the contract when all the 5.20 bonds, amounting to over fifteen hundred millions, were purchased from the Government by the bondholders, and paid for in this currency at par, when it was quoted at from 40 to 60 per cent. below par in coin. Every one understood the law to be as I have stated it at the time of its passage. In fact the great struggle then was whether even the interest on the bonds I have mentioned should be paid in coin. The act of February 25, 1862, first passed the House without any provision at all for the coin payment of interest. That feature of the law was attached here in the Senate as an amendment, and when the act, thus amended, was returned to the House a violent conflict at once arose. An examination of the Congressional Globe for the second session of the Thirty-seventh Congress, at pages 821 and 900, will show that both Mr. Spaulding, of New York, and Mr. Stevens, of Pennsylvania, the leading members of the Committee of Ways and Means, and one its chairman, united in denouncing the Senate amendment in the bitterest and severest terms. They contended in stern and determined language that even the payment of interest in coin was an odious and unjust discrimination in favor of the bondholder and against the soldier, the sailor, and the citizen, who were compelled to receive the legal-tender currency, greatly depreciated by this very discrimination.

No one by a single word in that entire debate made the slightest pretense or intimation that the principal of the bonds was payable in coin. During the full term of seven eventful years that followed there is not a platform of either political party in any State in the Union which makes such an assertion. No claim for such a construction of the law in behalf of the bondholder ever fell from the lips of a leading member of the party in power during the same length of time in either branch of Congress, or anywhere else, as far as the public is advised. On the contrary in many States, and notably in Ohio, the home of the President and his Secretary of the Treasury,

the dominant party in its State convention in 1868 expressed its deliberate "conviction that according to the laws under which the 5.20 bonds were issued said bonds should be paid in the currency of the country which may be legal tenders when the Government shall be prepared to redeem such bonds." On this doctrine the present Chief Magistrate and his Secretary took their stand only nine years ago and told the people that the doctrine was true. Not only so, but Secretary Sherman, who now in his recent report warns us against repudiation, then gave in a letter dated March 20, 1868, and widely published his idea of what constituted a repudiator. Speaking on this subject, he says:

UNITED STATES SENATE CHAMBER,
Washington, March 30, 1868.

DEAR SIR: I was glad to receive your letter. My personal interests are the same as yours, but, like you, I do not intend to be influenced by them. My construction of the law is the result of careful examination, and I feel quite sure an impartial court would confirm it if the case should be tried before a court. I send you my views, as fully stated in a speech. Your idea that we propose to repudiate or violate a promise when we offer to redeem the "principal" in legal-tenders is erroneous. I think the boudholder violates his promise when he refuses to take the same kind of money he paid for the bonds. If the case is to be tested by the law I am right, if it is to be tested by Jay Cooke's advertisements, I am wrong. I hate repudiation or anything like it, but we ought not to be deterred from what is right for fear of undeserved epithets. If under the law as it stands the holders of five-twenties can only be paid in gold, the bondholder can demand only the kind of money he paid, then he is a repudiator and extortioner to demand money more valuable than he gave.

Truly yours,

JOHN SHERMAN.

When it is remembered that the bondholder never paid a dollar in coin for a bond of any description, but purchased them all with Government currency, which the Government itself had depreciated by refusing to take it for customs dues and interest, the full meaning of this letter becomes very plain and very forcible. It is not the offspring of impulse or inexperience. Its author was then chairman of the Finance Committee of this body, and he wrote, as he says, after "careful examination." By the light which he here throws upon the subject we may see the exact beginning of repudiation and behold the furtive and ravenous movements of the actual repudiators as they hurry up and down the precincts of legislation during the last nine years of our history. By its light, too, we behold the present Secretary of the Treasury, judged by his own words, as the chief of repudiators, foremost among the violators of contracts, and a leader among those who have in no instance kept the good faith of the Government with its own people a moment after they found that bad faith would bring them richer gains. In less than ten months after this letter was written, and after the enunciation of the Ohio platform, Hon. John Sherman, then a Senator, advocated and procured the passage of the act of March, 1869, for the payment of all the bonds in coin which he had declared payable in currency, thereby establishing an open repudiation of a solemn and binding contract and fastening an extortion of not less than $500,000,000 on the staggering industries of the country as the speculative profits of the operation. In the whole financial history of the civilized world no parallel can be found to this audacious deed of broken faith, deliberate treachery to the people, and national dishonesty. It stands out by itself, towering high above all common frauds and dwarfing them in comparison with its own vast proportions. It will bear the names of those who enacted it to distant generations amidst the groans, the curses, and the lamentations of those who

toil on the land and on the sea; and more deeply engraven than any other name will be forever found that of the Secretary of the Treasury as the author of what he himself said constituted the twofold crime of repudiation and extortion. Do I state the case too strongly? Does any Senator think that I am not justified in the language I use or in the conclusion I state? If so, I pray him to recall the utterances of my lamented and distinguished predecessor in this body. When this monstrous act of repudiation was on its passage here in March, 1869, Senator Morton pointed out in the plainest and most explicit manner four distinct acts of Congress under which the people had acquired a vested right to pay the 5.20 bonds in legal-tender notes, and which were to be broken and set aside by the measure then under discussion. Among other things he said:

> And now I propound the question. It is either intended by this bill to make a new contract or it is not. If it is intended to make a new contract, I protest against it. We should do foul injustice to the Government and the people of the United States after we have sold these bonds on an average for not more than sixty cents on the dollar now to make a new contract for the benefit of the holders.

Again he says:

> It gives to those laws a construction that I do not believe in and that I have shown is contradicted by at least four acts of Congress.

And again Senator Morton exclaimed, with that power of statement which always so greatly characterized him:

> Sir, it is understood, I believe, that the passage of a bill of this kind would have the effect in Europe, where our financial questions are not well understood, to increase the demand, and that will enable the great operators to sell the bonds they have on hand at a profit. It is in the nature of a broker's operation. It is a bull movement intended to put up the price of bonds for the interest of parties dealing in them. This great interest is thundering at the doors of Congress, and has for many months and by every means been attempting to drive us into legislation for the purpose of making money for the great operators. That is what it means and nothing else.

These are words of intense and overwhelming force. Where in the whole range of debate can be found a more revolting picture of bad faith inspired by base cupidity than is here portrayed by the greatest party leader perhaps ever known in the American Congress? He has passed away, his voice is silent, and he rests after life's fitful fever, but this accusation hurled against criminal wrong-doing survives, and will continue to survive as long as it remains to be determined who have repudiated the sacred obligations and the plighted faith of the American Republic. In far distant times generations now unborn while examining the sources of the burdens that have descended to them will read the charge made in this presence by the late Senator from Indiana, that a combination of stock-jobbers, as destitute of conscience as pirates and inspired alone by greed for money, successfully thundered at these doors and finally drove this Government into the most stupendous act of bad faith and legalized robbery ever practiced upon any people since the dawn of history. Five hundred millions made by the great operators and five hundred millions lost to the plowman and the mechanic who have it all to pay!

And yet the authors, the instigators, the abettors of this crime, and the participators in its proceeds, fill the air with railing on the subject of repudiation, and point their fingers, stained with plunder, at honest men, as repudiators, because they believe that a contract for the benefit of the people should be held as sacred as one for the benefit of the bondholder. Sir, forbearance on this point has ceased to be a virtue. Those who have at all times labored to keep the faith of

the Government with its citizens, and its creditors alike, cannot submit any longer to insult added to injury, to wholesale calumny added to national plunder. In some countries the habit prevails of building a cairn, a pile of stones, to mark the spot where some tragic event has happened. So let American tax-payers, whenever the act of March, 1869, is cited, each cast a stone upon it, to mark the place in American history where repudiation began, and where the rights of the people were mercilessly and treacherously slaughtered.

The next step in the systematic violation of its obligations to its own citizens by the American Government was taken in the enactment of the law of July 14, 1870, known as the act for refunding the national debt. The motive which prompted this legislation has never yet been fully exposed. It has always been held up in the innocent guise of an attempt to reduce the rate of interest. It was in fact, however, the offspring of an apprehension remaining in certain minds even after the act of March, 1869, that the work of repudiating the contract for the payment of the 5.20 bonds might not be quite complete and final. These bonds were outstanding, and although the law of their payment had just been repealed, yet their holders feared that the people might sooner or later in turn repeal the faithless act of March, 1869, and declare again for the payment of these original bonds according to the original contract.

Therefore this act of July 14, 1870, called the refunding act, was brought in as supplemental to that of March, 1869, and in aid of its false assertion that our whole bonded debt was payable in coin. By a sort of moral forgery on the American people the refunding act provides for the issue of new bonds to the amount of $1,500,000,000, with an agreement for coin payment written on their face; and then further provides that these new coin bonds shall be substituted for the original 5.20 bonds, one in exchange for the other, dollar for dollar. Avarice in the ordinary affairs of life has often tempted the holder of a deed, a will, a bond, or other obligation for money or property to obtain a false construction, if possible, or even to change the terms of the instrument in order to enhance its value. Here both these objects have been obtained by the money power; first a false construction of the contract, and next a direct change of its most vital terms. It is true that a reduction of the rate of interest on the new coin bonds is provided for in the act of July 14, 1870; two hundred millions of these bonds to bear 5 per cent., three hundred millions to bear 4½ per cent., and a thousand millions to bear 4 per cent. This reduction in the rate of interest has, at first, the appearance of a concession to the people, but a moment's calculation will show the amount thus saved utterly trifling in comparison with the enormous loss they suffer by the whole transaction. Nor is it to be supposed that the holders of the 5.20 6 per cent. bonds would surrender them voluntarily in exchange for bonds of a less rate of interest, unless they knew they were getting bonds of higher value and were to reap substantial advantages by the operation. To draw a different conclusion would be to reverse the well-ascertained laws of human nature. The archives of history may be ransacked in vain to find a single instance where a moneyed investment relinquished without compulsion a superior for an inferior security. Such a thing was never known and never will be.

When, however, this elaborate scheme for the destruction of the rights of the people in regard to the payment of the 5.20 bonds was supposed to be finished; when the gateways of justice, of law, and of public morality had all been closed, and double-barred, and bolted

against the taxpayers by the repudiating acts of March, 1869, and of July, 1870, did the practice of bad faith on the part of the Government toward its own citizens stop even then? A finality appeared to have been attained. Proclamation was made in every quarter that a permanent settlement had been reached of the manner in which every dollar of our national debt should be paid. We were constantly reminded from that day forward that no law-abiding, honorable citizen would ever again seek to reopen or agitate the question. The bondholders were for the time being content, but they did not remain so a moment longer than a new opportunity presented itself for another encroachment upon the heavily taxed industries of the country. By both the laws of March, 1869, and July, 1870, framed in their interest and under their dictation, it is so plainly written that the bonds then outstanding and afterward to be issued were payable in coin—not in gold alone, nor in silver alone, but in coin—that it is impossible to construct an argument against the proposition.

Indeed, it is almost equally difficult to make an argument in its favor, for a truth that is self-evident does not admit the ordinary methods of reason in its support. In the first section of the act of July 14, 1870, the bonds therein authorized are made "redeemable in coin of the present standard value." What is there here for construction? What word here taken from the law can the keenest casuist construe into even a doubtful meaning? We all know what the term coin means in connection with the use of the precious metals in the trade and commerce of the world. Even, however, if we did not, and we desired to seek a still plainer and more explicit guarantee, we have only to turn to the act of March, 1869. It declares its object in the following language:

> That in order to remove any doubt as to the purpose of the Government to discharge all its just obligations to the public creditors and to settle conflicting questions and interpretations of the laws, by virtue of which such obligations have been contracted, it is hereby provided and declared that the faith of the United States is solemnly pledged to the payment, in coin or its equivalent, of all the obligations of the United States not bearing interest, known as United States notes, and of all the interest-bearing obligations of the United States, except in cases where the law authorizing the issue of any such obligation has expressly provided that the same be paid in lawful money or other currency than gold and silver.

False and perfidious as this law is known to be, yet it has at least one merit. It is absolutely clear and unambiguous. If human language can be made to convey an unequivocal meaning, then this law pledged the faith of the Government to the people, and to the world, for the payment of the national debt in "gold and silver." It is a rule of court, however, in finding the true meaning of a law under consideration, to resort, if necessary, to the opinions of those by whom it was enacted. If we do so in the present instance we are amply rewarded by rich discoveries. William Pitt Fessenden, then a Senator from Maine, and who also served as Secretary of the Treasury, used on this floor the following language:

> Sir, I meant what I said, and the Congress of the United States meant what it said, that it would pay so many dollars. What was a dollar? A dollar was defined by statute. It was gold or silver coin.

Senator Morton, when pleading here for the payment of the bonds according to the original contract made the following statement:

> When you return to specie payments you have nothing to pay any o your bonds with but gold or its equivalent, and therefore the exception here in favor of bonds payable expressly in currency is utterly worthless, because we shall have nothing then but gold and silver with which to pay these bonds

But the evidence on this point would not be complete if I did not call Senator Sherman, now Secretary of the Treasury, to refute not

only all the present enemies of silver as a coin of legal tender, but especially to refute and confound, as usual, his own subsequent views. In his recent report on the state of the finances, now on our tables, he says:

If the market value of the silver in the new coin is less than the gold dollar a forced payment in the new coin is a repudiation of a part of this debt.

Now it is repudiation to pay the national debt in anything but gold. What was his position when the act of March, 1869, was here on its passage? At that time he exclaimed:

What is the first section of this bill? It is simply a solemn pledge of the United States that all the obligations of the United States, notes and bonds, shall be paid in gold and silver coin, except only those where the law expressly provides that they shall be paid in lawful money.

And again, in speaking of the resumption of specie payments, he says:

The honor of the country, the good faith of the nation, the interests of the laborer, the rich and the poor, all classes, demand that we should resume specie payments as early as possible and place all the obligations of the people of the United States upon the solid basis of gold and silver coin.

Sir, this theme becomes humiliating to every honest American mind. It fills with shame every honest, patriotic heart. The naked fact confronts us at every step that no pledge, however high, solemn, or binding in law and morals, has been strong enough to compel the authors of our financial legislation to obey it. No sense of national honor or good faith has restrained for a single moment the unbridled avarice of idle interest-bearing capital whenever it has been tempted, like some hungry marauding animal, to break over the barriers erected between it and new fields of spoliage that lie beyond. The silver dollar came to us with the birth of our Government. It was devised as a unit of value by Thomas Jefferson and adopted by Congress in the days of Washington, Hamilton, and Morris. It stood as honored as gold through every storm that beat upon this Government. It is associated with all our development, our strength, our growth, and our glory. With it as a currency, more than any other, the picket-lines of civilization have pushed westward. The pioneer in the shadow of the great forests or on the wide prairies toiled to lay it by, one by one, until the coveted sum of one hundred lay before him. Then tightening the girths of his saddle, he rode with speed to the distant land office, where the Government took his one hundred silver dollars for eighty acres of land, which thenceforward became that most blessed spot of earth, a home; a home where trees were planted, where children were born and grew to be men and women, and then in turn went forth into the great world, still to the west, there to live over again in labor and privation the lives of the father and mother left behind.

The silver dollar is peculiarly the laboring-man's dollar, as far as he may desire specie. When specie payments were authorized before the war it was the favorite currency with the people, and it will be so again whenever a general circulation of coin is obtained, if that shall ever happen. Throughout all the financial panics that have assailed this country no man has been bold enough to raise his hand to strike it down; no man has ever dared to whisper of a contemplated assault upon it; and when the hour of its danger and destruction drew nigh, when the 12th day of February, 1873, approached, the day of doom to the American dollar, the dollar of our fathers, how silent was the work of the enemy! Not a sound, not a word, no note of warning to the American peo-

ple that their favorite coin was about to be destroyed as money; that the greatest financial revolution of modern times was in contemplation and about to be accomplished against their highest and dearest rights! The tax-payers of the United States were no more notified or consulted on this momentous measure than the slaves on a southern plantation before the war, when their master made up his mind to increase their task or to change them from a corn to a cotton field. Never since the foundation of this Government has a law of such vital and tremendous import, or indeed of any importance at all, crawled into our statute-books so furtively and so noiselessly as this. Its enactment there was as completely unknown to the people, and indeed to four-fifths of Congress itself, as the presence of a burglar in a house at midnight is to its sleeping inmates. This was rendered possible partly because the clandestine movement was so utterly unexpected, and partly from the nature of the bill in which it occurred. The silver dollar of American history was demonetized in an act entitled "An act revising and amending the laws relative to the mints, assay offices, and coinage of the United States." The avowed and ostensible purpose of this act is set forth by Dr. Linderman, the Director of the Mint, in his recent work on Money and Legal Tender. After citing very fully the legislation of this country on the subject of mints and coinage, he says:

> There were, however, provisions of law, conflicting in their character, as to the relative powers and duties of the Secretary of the Treasury and the Director of the Mint. To remedy this and to consolidate coinage enactments were the chief objects of the act approved February 12, 1873, revising and amending the laws relative to the mints, assay offices, and coinage of the United States.

This act embraces sixty-seven sections, and fills twelve closely printed pages of the seventeenth volume of the United States Statutes at Large. From this voluminous and prolix measure, proclaiming, as it did, other and totally different objects to accomplish, it was only necessary to silently omit the few words that for nearly a hundred years had floated the old familiar dollar as a full legal tender down the stream of Time. This was done in the fifteenth section, which I quote in full in order that the people may see for themselves exactly how this great wrong was effected. It reads as follows:

> That the silver coins of the United States shall be a trade-dollar, a half dollar or fifty-cent piece, a quarter dollar or twenty-five-cent piece, a dime or ten-cent piece; and the weight of the trade-dollar shall be 420 grains troy; the weight of the half dollar shall be twelve grams (grammes) and one-half of a gram, (gramme;) the quarter dollar and the dime shall be respectively one-half and one-fifth of the weight of said half dollar; and said coins shall be a legal tender at their nominal value for any amount not exceeding five dollars in any one payment.

Thus it will be seen that in declaring what the silver coins of the United States should be, the dollar, so long imbedded in our history, was dropped, literally thrown away as useless, and another coin, styled a trade-dollar, of no service to the people as a legal tender, was inserted in its place; or, as the Director of the Mint expresses it—

> Under the provisions of this act the coinage and issue was discontinued, of the silver dollar of 412½ grains, the three-cent silver piece, the five-cent silver piece, and the two-cent bronze piece.

And by a subsequent act of Congress, July 22, 1876, the legal-tender quality of the trade-dollar for even the small amount of five dollars was repealed, and now it is not a legal tender for anything or any amount.

But, sir, having pointed out the false pretenses under cover of which the American silver dollar was eliminated from our money system, it yet remains to inquire into the real reasons for such an

act. In the first place had silver failed in its functions as a specie basis any more than gold? Had it been found any less capable than its twin metal in upholding a paper currency on which the commerce and business of the world has been transacted since the beginning of civilization? These two metals of gold and silver have come down to us together, from the days of Abraham, Isaac, and Jacob. They were in great abundance and in high favor when Israel built her temple and adorned the city of Jerusalem. They crept along the shores and islands of the Mediterranean, hand in hand, as arbitrary factors in human affairs. They spread over Europe, as inseparable allies, during the dark and barbarous ages that intervened between the downfall of Rome and the discovery of the art of printing, the revival of learning, in the fifteenth century. The cupidity of man has delved into the earth, toiled across the stormy seas, broken solemn treaties, sworn false oaths, murdered his fellow-man, and bartered away his soul alike for them both. The Spaniard and the Portuguese swept whole races in the West Indies, Mexico, Central and South America, first into slavery and then out of existence, in their accursed greed and thirst for gold and silver. Throughout all our colonial history these metals were linked together in an embrace that no convulsion could tear asunder. And when our Government emerged, weary and blood-stained from the Revolution, our fathers found them both standing together on our threshold as a mighty tradition of all the past. They were adopted together as our measure of values because other nations had done the same. They entered their career as American money together, equal in dignity before the law. By the Constitution of the United States they were introduced into each new incoming State of our expanding Union on terms of absolute equality. We find by article 1, section 10 of that instrument that—

> No State shall * * * coin money; emit bills of credit; make anything but gold and silver coin a tender in payment of debts.

From that day to this I challenge every page of American history to show a single instance in which the silver dollar has not been as brave, as firm, and as reliable as the gold dollar. I challenge the sad records of every financial alarm, panic, or crash that ever befell us to show where for a single day or hour silver was not as intrepid and fearless in the money markets as gold.

From 1792 to 1873, from the coinage of the American silver dollar to the day of its insidious destruction, eighty-one years, gold and silver never fluctuated in their relation to each other but a fraction over 3 per cent., and during most of that time silver money ranked higher than gold money, and did so the day it was destroyed. It is true that both these metals, so precious in the traditions of mankind, broke down at once when this Government was called on to fight for its life, when the ultimate and extreme necessity of the hour demanded a money stronger than them both, based on the confidence of the people that their Government would live and not die; yet when they fell, they fell together. Neither the one, nor the other, nor both united were sufficient to make even a respectable struggle for national existence, and they abandoned the field on the first roar of hostile cannon, but silver did not flee any sooner nor get under cover any quicker than gold. It may then, I think, be safely assumed in the light of all experience that the real reason for demonetizing silver is not to be found in its failure to be the peer under all circumstances, in all ages, and in all nations of the other precious metal which has

now become so strangely, so suddenly, and so surreptitiously exalted in the eyes of the money power as the sole standard of values.

Pursuing our inquiry, therefore, on this point we come next upon one of the principal reasons now assigned for abandoning silver coin as money. It is true that the sincerity of this reason is open to the suspicion which always taints an argument brought forward as an after-thought to justify an act which evaded all discussion at the time of its passage, but nevertheless it shall be fairly considered even at this late day. It is now urged with great vehemence by the advocates of the gold standard alone, that because here and there a European monarchy with the hardest worked and poorest paid peasantry on the face of the earth has banished silver, we are called upon by our business relations to do the same. It is urged that we are to follow and not lead in the affairs of the world. According to this argument we are to trail in the footsteps of governments whose principles we denounce, and whose laboring people are fleeing in constant streams from their shores to our own in order to escape oppression and starvation.

Sir, no one disputes the fact that all civilized governments have certain communities of interest; but to my mind the American Republic is less dependent for its strength and prosperity on the conduct and policies of other nations than any other government now in existence. Nature in her most lavish mood has conspired to make the American people, in fact as well as in name, an independent people. Our place on the map of the globe is an isolated one. Mighty oceans stretch out between us and all the first-class powers of the world. What foreign neighbors we have on our immediate borders are weak and unimportant. We are not only substantially alone as a political power on the North American continent, and separated by long distances from all the great nations of the earth, but we possess within ourselves, in unfailing abundance, every article and every element of national wealth and glory. Our vast domain will feed uncounted millions, mountains of iron and of all other useful ores respond to every call of scientific progress, while the intelligent industry of man, if not paralyzed by bad government, will forever supply all his wants, comforts, and luxuries. On such a theater our greatest resource is self-reliance, and we have but little need of examples or alliances furnished by less fortunate nations.

Admitting, however, the argument, for the sake of meeting it, that our financial policy in regard to a specie basis ought to be in harmony with the rest of the world, let us examine into the actual facts as they now exist in the various money systems of every people with whom we have even the slightest commercial intercourse. Has silver in the general trade and business of nations fallen into such discredit that we are compelled to cast it aside in order to keep pace with a wide-spread financial revolution? Is it held in such dishonor as a medium of traffic throughout the world that we can no longer uphold it with credit to ourselves? On the contrary a careful estimate shows that silver is an enormous and overwhelming favorite. Of the entire trading and commercial populations of the whole earth 696,250,000 more people have silver alone as their standard of values, and transact all their business upon it as a specie basis, than those who have gold alone for similar purposes. From the same sources of information we learn that 744,200,000 more people use silver alone than use gold and silver both as their metallic currency. In this last statement I include the population of the United States as using the double standard, for we shall return to it at once, as far at least as a

specie basis can now exist. The great fact, therefore, is that in the mighty bulk of intelligent mankind more than four times as many people have chosen silver as have chosen gold, and more than five times as many have chosen silver as have chosen gold and silver together.

The following table, giving the financial systems and the populations of the various governments of the world, will be found in the main correct:

Distribution of gold, silver, and double currency throughout the world.

Nations under gold alone.	Population.	Nations under silver alone.	Population.	Nations under gold and silver.	Population.
Great Britain	32, 000, 000	Russia	87, 000, 000	Belgium	5, 100, 000
Canada	4, 000, 000	Austria	36, 000, 000	Bolivia	1, 800, 000
Australia	2, 000, 000	Central America	2, 900, 000	France	36, 100, 000
Portugal	4, 250, 000	Ecuador	1, 300, 000	Greece	1, 500, 000
Turkey in Europe and Asia	29, 500, 000	China	425, 000, 000	Italy	26, 800, 000
Persia	5, 000, 000	India	300, 000, 000	Spain	16, 500, 000
Brazil	10, 000, 000	Mexico	9, 000, 000	Switzerland	2, 700, 000
Argentine Republic	1, 800, 000	Peru	4, 500, 000	United States	42 000, 000
Egypt	8, 000, 000	United States of Colombia	2, 700, 000		
German Empire	41, 000, 000	Tripoli	1, 200, 000		
Sweden	4, 250, 000	Tunis	2, 000, 000		
Denmark	1, 800, 000	Holland	3, 700, 000		
Norway	1, 750, 000	Venezuela	1, 400, 000		
Chili	2, 100, 000				
Japan	33, 000, 000				
Total	180, 450, 000		876, 700, 000		132, 500, 000

It will be seen from this statement that silver coin, as money, not only meets the desires of four-fifths of the human race, but that those who use it as a standard occupy more than three-quarters of the inhabited parts of the globe. Germany is perhaps prematurely placed in the list of nations using gold alone. It is true she has attempted to adopt the gold standard, but there are still two hundred millions of silver currency in the hands of her people, and they are reluctant to give it up and see it driven away from fatherland. Whether the empire will be entirely successful in depriving its subjects of this favorite money yet remains to be proven. In view of all the foregoing facts, however—in view of the history and condition of the world on this question—the enemies of the silver dollar in the United States who, having first destroyed it, seek now to justify themselves by slandering the reputation of its metal in distant lands, must stand before their injured countrymen covered with shame and confusion. They are utterly overwhelmed and beaten from their position by the general testimony of the civilized races of men, and we are left at this point to follow them next to their final and in fact real reason for their assault upon silver money.

Sir, I touch now upon an issue as old as human society and as universal as the loaning of money at interest and the investment of capital for income. Two classes have existed in every age of history on the question of money. All such as plow, sow, and reap; who spin, weave, and make merchandise for sale; who manage and work the caverns of coal and iron, and the blast-furnaces and forges; who construct railroads, build ships, and found cities; all such as are in any way pushing on the cause of progress and material development and who desire to keep their capital, whatever it may be, and especially that greatest of all capital, the bone and muscle of the laborer, actively employed, constitute one class. Those who have stepped aside from the active moving column of affairs and withdrawn themselves and all they own from the trade and business of the world, intending thenceforward to fasten their idle wealth on the productions of labor as a consumer, and not as an assistance, constitute the other. Of these two classes those who compose the first desire money to be plentiful and cheap, for they are working to obtain it, while those who compose the latter desire money to be scarce and dear, because they already have it in abundance to loan and to invest at high rates of interest and profit. And it was in the real and actual interest of this latter powerful class that silver was demonetized in February, 1873, not because it was less valuable as money than gold, nor because such a change was demanded by the policies of foreign nations, but simply because retired capital desired to diminish the amount of money of every kind circulating in the hands of the people.

Silver was selected as the victim for sacrifice on that occasion because it was thought, on account of certain circumstances yet to be noticed, that it could be more successfully assailed than the other kinds of money then in existence. The managers of the great money centers in this country and in Europe saw with avaricious alarm the bright streams of silver beginning to increase in volume and in value as they flowed from the mouths of our mines, and now we hear from their angry throats, and from an apparently still angrier newspaper press which they control, a cry without ceasing against silver inflation arising from an overproduction of the metal. They have heretofore filled the world with their hostile clamor mainly against a paper currency not immediately convertible into coin of intrinsic

value, but it now appears that there can be, in their own amiable language, an insane inflation of a currency which has this very intrinsic value itself. We have heard much talk to prove that gold and silver are the only real money, that they have an absolute value as such everywhere and at all times; but we now discover that even these precious metals may become more abundant than is agreeable to those who want the purchasing power of money increased by lessening the quantity in circulation until fifty dollars will buy in a farm worth a thousand under the foreclosure of a mortgage. Is it true, however, that for the genuine interests of the American people, for their advancement in trade and development, and for the prosperity of our commerce throughout the world, too much silver has been produced in the United States or anywhere else? Has silver, as now claimed, ever threatened to pour into the channels of business such floods and torrents as would unsettle and sweep away all the landmarks of safety? We will examine this question.

The history of the production of the precious metals is one of great and prevailing interest. Although they have been arbitrarily determined upon as the money of mankind, yet it has never been possible for the highest human intelligence to foretell their supply or to say with certainty that their production will not fail altogether. The quantity of a circulating medium sufficient to meet the legitimate demands of trade can be estimated, but who has ever been able to look into the mines and declare how far their veins of ore extend or how soon they will cease to yield? Who has ever been able to point out where new mines may be opened into the hidden riches of the earth to take the place of those that are worn out, sterile, and barren? The result has been that while the precious metals have been declared the standard of values, they have themselves always been an unknown quantity, and the irregularity, uncertainty, and insufficiency of their production have caused frequent and crushing disasters in all countries and in every period of history, and have often compelled the strongest governments of ancient and modern times to entirely abandon them.

It is not my purpose, however, to dwell on this point further than to meet the argument based upon an alleged overproduction of silver in recent years. From a report made not long since by a committee in the British Parliament it appears, as nearly as can be estimated, that the entire production of silver throughout the world during the last twenty-five years has reached about $1,400,000,000. The increase in its production during that period arose from about $40,000,000, in 1852, to $80,000,000, in 1875, and the annual amount produced at this time may be placed at $70,000,000. Of these amounts South America, Mexico, and the United States produced all excepting about $10,000,000 a year, arising from the silver resources of all other countries. In our own country the development of this great agency of national prosperity has all taken place in the last eighteen years, substantially in the last ten.

The following estimate, made by the Commissioner for Mining Statistics, shows the annual production of silver and its increase in the United States:

1859	$100,000
1860	150,000
1861	2,000,000
1862	4,500,000
1863	8,400,000
1864–1869 (average)	11,625,000
1870	16,000,000

1871	23, 000, 000
1872	28, 000, 000
1873	35, 750, 000
1874	32,000, 000
1875	32, 000, 000

Estimating the production of 1876 and 1877 the same as 1875, and we find that the entire amount of silver yielded by the mines of the United States since they began to pay for working them has reached but a trifle over the comparatively small sum of $250,000,000. This is less than one-half the amount of our present volume of currency; yet when those who are interested in making and keeping a scarcity of money in circulation, noticed an increase of only $12,000,000 from 1870 to 1872, they took the alarm which resulted in the act of 1873, proscribing and outlawing it from the companionship of gold as money. It will not do to say that the demand for silver had failed, for aside from what our own people needed at home, the demand from abroad was so great that in the very act demonetizing it here provision was made for the coinage of a dollar that we found necessary for our foreign trade. It was a dollar of the weight of 420 grains troy, and the Secretary of the Treasury, in his recent report, says:

> This provision was made at a time when such a dollar was worth in the market 102.12 in gold, and was designed for the use of trade in China, where silver was the only standard.

The great demand for this coin, especially in our trade with China, is shown by "reports made by the two leading foreign banks of China, the Oriental Bank and the Hong Kong and Shanghai Banking Corporation, dated respectively January 31 and 30, 1877, and furnished by the United States Consulate at Hong Kong to the Secretary of the Treasury." I find these reports quoted by the Director of the Mint, and I extract from them the following statements:

> The United States trade-dollar has been well received in China, and is eagerly welcomed in those parts of the country where the true value of the coin is known. It is a legal tender at the ports of Foo-choo and Canton, in China, and also at Saigon and Singapore; and, although not legally current in this colony, it is anxiously sought after by the Chinese, and in the bazaars it is seldom to be purchased. In proof of the estimation in which the trade-dollar is held in the south of China, we need only state that the bulk of the direct exchange business between Hong Kong and San Francisco, which is very considerable, is done in this coin, the natives preferring it to the Mexican dollar. Late advices from San Francisco report that so great is the demand for trade-dollars for shipment to China that the California mint is unequal to the task of turning out the coin fast enough to satisfy requirements. * * * My opinion is that ultimately it will be current all over China. It is the best coin that ever has been imported, and, being produced at the fountain-head of silver, can be laid down more cheaply than any other dollar. * * * China requires many millions of dollars annually, and while the clean Mexican dollar will be imported for the north of China, the trade-dollar will be imported for the south. I would roughly estimate that the San Francisco steamers will bring from four to six lacs of trade-dollars (from four to six hundred thousand) each fortnightly trip all the year round.

The Secretary of the Treasury also informs us that since the trade-dollar was authorized it has been coined to the large amount of $30,710,400, mainly to meet this and other foreign demands for silver money. It is true, however, that he further states that the export demand for the trade-dollar has now almost if not quite ceased. It is not strange that this should be so, when this Government has done all in its power to dishonor it at home; first limiting it as a legal tender to the insignificant sum of $5, and hastening soon afterward to strip it of even this small badge of respectability. Distant people, naturally suspicious of our institutions, would necessarily reject a coin on which we ourselves have placed such a stigma of disgrace, however great, as we have seen, may be their demand for silver

money. In fact, no artifice, no cunning device has been spared to bring the silver dollar into contempt and to drive it out of existence, although the American people and the people of all lands and of every form of civilization plead for its restoration to favor and to an ample circulation.

If there are some, however, who still think that these assaults on silver were inspired by any other motive than the fear of too much money, allow me to recall an incident in financial history full of teaching on this point. When the revelation of gold took place in California, and on the other side of the world in Australia about the same time, an impulse was given to the progress of mankind greater than has been produced by any other one event since Columbus discovered America. It quickened every energy of labor, aroused all the great industries everywhere into new and startling activity, revived the drooping sails of commerce in every sea, and sent the loaded caravans of railroad transportation flying in every direction over the face of the earth. The whole world rejoiced with one exception. The creditor class in every clime beneath the sun looked on in sullen distrust and dread. And in 1856, when the production of gold had reached its highest point, and when it was supposed that it would continue to increase, this class broke forth in the different countries of Europe in favor of demonetizing gold, because the supply was making money too plentiful. De Quincey, Chevalier, and other writers, made earnest and elaborate arguments to show that the increase in the flow of gold was so great that soon it would be within the easy reach of all classes, and then its power to purchase labor and property in large quantities for very small sums would be forever gone. Germany, and Austria, and some other European governments, heeded these arguments, and in 1857 actually demonetized gold in order to maintain the scarcity of money. The reason why this question did not seriously agitate the financial circles of the United States is to be found in the fact that at that time we had no great creditor class in this country; we had no stupendous national debt held as an investment for fixed incomes; no such State, municipal, and corporation debts as have since filled all the stock markets with interest-bearing bonds, and which are now a draining tax on all the labor and production of the country. Had our situation been then as it is now we would have seen the holders of Government securities and all other bonds wherein the payment of money from the many to the few was nominated, as badly affrighted in this country at what was called an overproduction of gold as the holders of similar securities and bonds were in Europe. The laws which govern the human heart in its love of gain are the same everywhere. The creditor class is not so much concerned what coin or other material shall constitute money as it is that there shall be no redundancy after its demands are paid.

The report of the monetary commission submitted to this body in March last by the distinguished Senator from Nevada [Mr. JONES] comments on this fact as follows:

> In all the European discussions, after 1848 and prior to the German demonetization of silver and its consequences, the point made was not that either metal had depreciated relatively to the other, but that by reason of extraordinary supplies of gold from California and Australia, supplemented, about 1865, by new supplies of silver from Nevada, both metals had depreciated relatively to labor and commodities, and that those having fixed incomes were being injured by a rise in prices. So long as the double standard existed, a new supply of either metal was only an addition to and only affected the value of the general mass of money and not the relative value of the metals.

The "fall in gold," which Chevalier lamented in 1857, was its fall in relation to property. He pointed out how the double standard had prevented any change from occurring in its relation to silver and how it would continue to do so until the silver of double-standard countries was exhausted. In order, therefore, to protect the interests of the income classes it was claimed to be necessary to demonetize one of the metals, and gold being the metal which then promised the most abundant yield was selected for the purpose.

It was the depreciation in the value of the precious metals and of money, supposed to have already resulted from the new supplies of gold, which made him the conspicuous advocate of the demand that one of the metals should be demonetized in order to "redress the situation."

It appears, therefore, that gold, even gold, the very god of a fierce idolatry in our midst at this time, has committed the mortal sin of inflation, and has been cursed and ostracised on that account by the usurers and money-changers as well as its more modest companions, silver and paper. And if now both the precious metals threatened to increase beyond the wishes and interests of this class they would be earnestly inquiring and scheming into some plan by which they could demonetize gold and silver alike, and substitute diamonds or some other scarcer and more difficult commodity to obtain as the basis of specie payments and the money in which all debts due to them should be paid.

There remains, however, one other argument in connection with the alleged overproduction and inflation of silver which requires attention. In the name of good faith it has been urged here in this body and elsewhere that, although silver is specified as plainly as gold in all our financial legislation, yet it was produced in such meager quantities at the time our national debt was created that the purchasers of our bonds could not have reasonably supposed they were ever to receive it in payment of the same, notwithstanding the law expressly said they should. In other words, it is an argument to release the bondholder from the absolute, definitely written words of the law on the ground that he could not foresee that the Government would ever have silver enough to fulfill the law. This is the highest, boldest note of repudiation ever heard in this country; an open admission of the law and an open, square demand for its violation.

No facts or surrounding circumstances at the time the contract was made can for a moment justify such a flagrant abrogation of its most explicit terms, but even if outside conditions, not expressed in its face, could be set up now to defeat it, I assert that the conditions alleged by the advocates of this argument never existed at all. I assert that when the law for the payment of the public debt was construed by the famous act of March, 1869, to mean payment in gold and silver both, the production of our silver mines for that year was $11,625,000, and had annually averaged that amount since 1864. It is contended that the purchasers of our bonds overlooked, when they were first issued, the feeble supply of silver. Did an annual average production of nearly twelve millions for the space of five years preceding the act of March, 1869, likewise escape their attention, when they were framing that act in their own interest and to suit themselves? But again, by the refunding act of July 14, 1870, authorizing the issue of new coin bonds to be substituted for the original five-twenty bonds, making thereby a new contract of that date, it was agreed that the bonds issued by virtue of that act should be payable in silver as well as gold.

During that very year, the year of the contract which is to be enforced in all its demands against the flesh and blood of labor, the generous silver mines of the United States yielded $16,000,000. Was

not this sum sufficient to put the authors of that enactment, the bondholders in Europe and America, on their guard against making a solemn stipulation to receive silver money in payment of their bonds unless they intended at that time to do so? During the years 1871 and 1872 many hundred millions of bonds were issued under the act of July 14, 1870, and received in exchange for five-twenties. They were all payable by the express terms of the law either in silver or gold, at the option of the Government; and the production of silver, when they were thus voluntarily received, amounted, according to our mining statistics, in 1871 to $23,000,000 and in 1872 to $28,750,000. It is no doubt true that the product of these two latter years excited the fear of a silver inflation which has since deepened into the absurd panic now prevailing, but how can it with any fairness be pretended that the bondholder is released from receiving silver according to his agreement on the ground that we were not producing that metal when the laws governing the contract were enacted? And, if it was not coined in amounts as large as it has been since, yet it was well known that the law made its coinage free and unlimited, and no one has a right to complain of the enforcement of a law of which he had full knowledge at the time his rights and liabilities accrued. The argument is unsound in law and unsustained by the facts. In fact, the entire movement demonetizing silver is to be explained solely and alone on the principle of contraction; and this brings me, in this connection, to consider more fully that destructive principle, and especially to examine the policy and the effects of the law of January 14, 1875, for the resumption of specie payments by an enforced contraction of the non-interest-bearing legal-tender currency of the country. The law of February, 1873, taking away silver money from the people, and the law of January, 1875, fixing the day, now less than a year in advance, when the greenback shall also perish, are twin monsters of evil, born of the same parentage and linked together for the destruction of all money save gold. In their discussion, therefore, they are entitled to a joint recognition.

Sir, in the entire catalogue of crimes against human society not one can be found so awful in all its consequences, both immediate and remote, as a Government commits when it deliberately destroys the money of its own citizens. Wherever in all the regions of time such measures have been accomplished the horrors of history have taken place. No shrinkage in the amount of money, no contraction of the currency in the hands of the people was ever enforced by law to any considerable extent, except amidst broken lives, ruined hopes, despair, lost honor, and all the vices springing from the lowest depths of poverty and human misery. The worst ingredients of war, pestilence, and famine all flow from the act of a government violently tearing from the hands of the laboring masses the money they so much need. Murder, theft, robbery, prostitution, forgery, embezzlement, and fraud of every hue and mien curse the land that is deprived of a full and sufficient circulating medium on which to give employment to its toiling men and women. The social statistics of mankind will show that wherever the supply of money has been scant and labor poorly paid, or left entirely idle, there the gallows-tree has borne most frequently its horrid burden; there the jails and the penitentiaries and all the haunts of infamy have been most crowded. The well-clothed and well-fed Pharisee may ostentatiously thank God that he is better than such as these, but he is not. When the strong hand of the Government is engaged in abolishing money, and thus interposing between the laboring-man and the laboring-woman

and their last chance for bread by honest work, their sins for self-preservation are less odious to their merciful Father than the prayers of the usurers who have driven them to ruin.

It is said in highly intelligent quarters that at this hour there are three millions of our own people unemployed, who have no other dependence for food and shelter than the labor of their hands, and one-half of whom are now tramping from place to place for crumbs of charity. Pitiable and dangerous spectacle! It never happened before in this land of bounteous nature, nor would it now but for the fact that in these later days a class has arisen in our midst which is benefited by the scarcity of money, and the consequent destruction of all those great industries which afford employment to labor. Nor does this frightful spectacle appeal alone to our sympathy with human misery, deep and indescribable as that must be. The loss to the country in actual wealth arising from the absolute idleness of three million persons is very great. It has been estimated that at one dollar per day as wages it would amount to enough in two years to liquidate our public debt. The United States monetary commission make the following valuable observations in their recent report:

The worst effect, however, economically considered, of falling prices is not upon existing property, nor upon debtors, evil as it is, but upon laborers, whom it deprives of employment and consigns to poverty, and upon society, which it deprives of that vast sum of wealth which resides potentially in the vigorous arms of the idle workman. A shrinking volume of money transfers existing property unjustly, and causes a concentration and diminution of wealth. It also impairs the value of existing property by eliminating from it that important element of value conferred upon it by the skill, energy, and care of the debtors from whom it is wrested. But it does not destroy any existing property, while it does absolutely annihilate all the values producible by the labor which it condemns to idleness. The estimate is not an extravagant one that there are now in the United States three million persons willing to work, but who are idle because they cannot obtain employment. This vast poverty-stricken army is increasing and will continue to increase as long as falling prices shall continue to separate money capital, the fund out of which wages are paid, from labor, and to discourage its investment in other forms of property.

Labor, co-operating with the forces of nature, is the source of all wealth, and to reach the highest degree of effectiveness it must be classified through the aid of capital and supported by capital during the process of production and be measured and paid in money, each unit of which is a sight-draft on all other forms of property, bearing a value in proportion to the number of such drafts. In order that any country may reach the maximum of material prosperity certain conditions are indispensable. All its labor, assisted by the most approved machinery and appliances, must be employed, and the fruits of industry must be justly distributed. These conditions are only possible when capital is absolutely protected against violence and free from illegitimate legislative interference, and when the laborer is protected in his natural right to dispose of his labor in such manner as he may prefer. They are utterly impossible when the money stock is shrinking and the money value of property and services is declining. *Howsoever great the natural resources of a country may be, however genial its climate, fertile its soil, ingenious, enterprising, and industrious its inhabitants, or free its institutions, if the volume of money is shrinking and prices are falling, its merchants will be overwhelmed with bankruptcy, its industries will be paralyzed, and destitution and distress will prevail.*

The instinct of self-interest is the mainspring of industrial and commercial activity. It is the animating motive alike of the capitalist and of the laborer. Without it, no labor would be performed, nor would capital have an existence. If money capital is withdrawn from productive enterprises, it is from the apprehension of loss and from the same instinct of thrift through which it was acquired. It is natural that the money capitalist should exact from labor all he can in exchange for his money, and that the laborer should exact all the money he can in exchange for his labor. What is known as the conflict between capital and labor is not so much a conflict between other forms of capital and labor as it is between money and labor. Indeed, the conflict between money and other forms of capital is as distinctly marked and quite as severe as the conflict between money and labor, and in that conflict other forms of capital suffer fully as much as labor, the only difference being that they are better able to endure losses. Other forms of capital must

be constantly converted into money in order to pay wages and to meet other demands incident to industrial enterprises. When the stock of money is shrinking and prices are falling, this conversion can only be made at rates continually growing more unfavorable, while at the same time the products of the labor for whose wages sacrifices have been made are also undergoing a shrinkage of money value. Thus loss and sacrifice are encountered at every turn, and the owners of other capital than money shrink from the friction of exchange, withdraw from productive enterprises, and only exchange as much of their property for money as will suffice to meet the necessary expenditures of living, which are reduced to the most economical level, as it is principal and not income which is being consumed. Little more labor will be employed under these circumstances than is sufficient to support the owners of capital on this parsimonious basis, and as a consequence the labor market will be overstocked, and the competition between laborers will reduce wages to a starvation level. But during this period, when property is being sacrificed to meet current necessities, and laborers are being remitted to idleness and destitution, money fattens on the general disaster.

When, therefore, on the 14th of January, 1875, this Government, having already destroyed silver money, determined to destroy within the next four years its outstanding legal-tender paper currency until there should be no more of it left than could be redeemed in gold coin alone on the 1st day of January, 1879, it became responsible for all the appalling consequences that have followed. An attempt to force the resumption of specie payments with gold and silver both as our metallic basis would be a cruel failure at this time; but the proposition to contract, reduce, cancel, and burn our present amount of currency until it harmonizes with the meager margin of gold which we can command has stricken the arm of labor with paralysis, dried up the fountains of business prosperity, and placed hollow-eyed want in more than a million hitherto happy homes. The demonetization of silver was purposely accomplished before the policy of specie resumption was declared in order to make money as scarce as possible in reaching by forced contraction the single standard of gold. We could reach the double standard easier than the single one, but the purpose of the money power was the diminution of money in circulation, and it better accomplished that object by first outlawing silver and then seeking the specie basis composed of but one metal. It cannot be denied that great progress has been made in this work of destroying moneys, and all values, except the value of money, which is made greater by being made scarcer and harder to obtain.

At the date of the act of January, 1875, our volume of currency was already reduced in proportion to population far below European nations, where labor commands barely subsistence wages. We had nearly one-half less *per capita* than Germany, England, or France. Financial distress was even then upon us. Business wrecks were afloat on every hand. We had the warnings of the nine preceding years during which the money of the country had been diminished nearly $400,000,000 by contraction, and during which time the liabilities for commercial failures and bankruptcies had arisen from an average of about $11,000,000 per annum to nearly three hundred million. A panic had just swept over the country with sufficient havoc and ruin to extort the admission from General Grant in his message of December, 1873, that our volume of currency was too small for our business, even at its dullest stages. We had less than $735,000,000, not counting fractional currency, and yet against the supplications of every active business and industry a still further reduction was dictated, and has been effected to the extent of nearly one hundred million. If, however, the law for the enforced resumption of specie payments is to stand unrepealed on our statute-books, then there still remains a work of destruction to be done in this

country far more extensive, dangerous, and full of wretchedness than we have yet witnessed. That law declares that—

> On and after the 1st day of January, A. D. 1879, the Secretary of the Treasury shall redeem in coin the United States legal-tender notes then outstanding on their presentation for redemption at the office of the assistant treasurer of the United States in the city of New York, in sums of not less than $50.

The term coin here used means only gold now, and the law, in order to enable the Secretary of the Treasury to carry out this plan for retiring the greenback money from circulation, authorizes him to sell interest-bearing bonds to obtain gold and to use such surplus revenues as he may have on hand.

The Government has undertaken two things: first, the shrinkage of the amount of currency, and, second, the possession of gold in such quantity that the one can be converted into the other. The smaller, therefore, the quantity of gold that can be obtained the greater must be the reduction of paper money in order to rest dollar for dollar on such a narrow metallic basis. It becomes important in this view to know what has been done under the law of January, 1875, in accumulating gold as a basis for specie payments a year hence. Many efforts have been made to ascertain the exact amount of actual gold which this Government now owns, none of which has been entirely successful, for the reason that the sum is so small, but it is perfectly safe to state, after deducting the amount due as interest on bonds, that there are not this day fifty millions of gold in the United States Treasury and in all the national banks besides. If resumption is to take place on that basis, the gigantic task of this poor pittance will be to stand good for the redemption of $350,007,308.50 of legal-tender notes, commonly called greenbacks, and $291,874,236 of national-bank-note circulation, making in all the sum of $641,881,544.50. It is very plain, even to those who believe that $1 in gold is sufficient for the circulation and redemption of $3 in paper, that our present condition of $1 in gold to about fourteen in paper must be radically revolutionized against the day fixed for specie resumption. What probability is there of any large increase of gold in the vaults of the Treasury? Will specie resumption be reached within the present year by leveling up the amount of gold in our possession or by leveling down the amount of currency in circulation? No one claims that foreign nations will supply our want of gold.

On the contrary, nearly all the produce of our mines goes to them to pay interest on public securities held abroad. But even if this Government could turn the entire gold yield of every American mine into the Treasury between this and the 1st day of January, 1879, the supply would fall far short of a specie basis for one-tenth part of our present circulation. During the year that has just closed, 1877, the gold coinage of our mints reached only the sum of $44,078,199. The bulk of this sum went abroad, a portion of it is hoarded by private parties, and a small fraction, perhaps, found its way into the coffers of the Government. An examination of the report of the Director of the Mint for 1877 shows that the entire coinage of gold in the United States from the establishment of the Mint in 1793 to the present time amounts to but $983,159,695. This is the slow and comparatively small production of gold money in the long space of eighty-four years, nearly the whole life-time of the American Republic; less than $1,000,000,000; less than enough to pay for one single crop of agricultural products in the western States of Ohio, Kentucky, Indiana, Illinois, Michigan, Wisconsin, Missouri, Minnesota, Iowa, Kansas, and Nebraska; and less than one-half enough to pay

the national debt as it exists to-day. Is there no lesson of wisdom in these figures for the statesman of these times? They are the experience of almost a century. Do they encourage any reasonable being to believe that gold enough can be obtained by this Government in the next twelve months to redeem its currency and to enable its citizens to do business on a specie basis? Is there anywhere in America or in the whole universe a new fountain of gold, pouring forth increased volumes, from which our parched and scanty resources may be replenished?

The very reverse is the fact. Old fountains are drying up; their streams are diminishing; no wizard's rod can smite the earth and indicate where new supplies will break forth. But the requirements of the Government for gold constitute but a small portion of the demand. The American people at this time are enormously in debt; more than any other people beneath the sun. Their State and municipal debts of all kinds, and their private debts to each other, have been variously estimated at from six to ten thousand million dollars. Every dollar of this vast indebtedness will call for gold coin after the 1st day of January, 1879. Where are the people to obtain sufficient gold with which to pay their debts and transact their business? The question is one that may well terrify every man who owes his neighbor anything, for there is not now, and never has been at any one time, enough gold in circulation as money on the face of the whole earth to meet this demand. If, therefore, specie payments are in reality to be resumed in January, 1879, the Government has yet to destroy at least two-thirds of its present paper circulation, and the people on this reduced basis, and under the gold standard alone, will be compelled to meet their debts and their taxes which have undergone no diminution.

Sir, here the bad faith of this Government toward the great mass of its citizens culminates. To a people in debt the destruction of their money is the virtual increase of their indebtedness to the extent of the money destroyed. If a man makes a contract to pay one hundred dollars on a given day, and has just that sum of money in his possession at the date of the contract, he is doing business securely. If, however, fifty dollars are taken from him by force, and he is left to meet his contract on one-half the amount needed, his bankruptcy necessarily follows. The American people were supplied with one amount of currency on which to contract debts, both public and private, and they are now to have another, and far smaller amount, with which to pay them. They entered into all their existing obligations with comparatively plenty of money in their hands. By the laws of this Government now they are first to be deprived of one-half their money, and then required to pay every obligation in full. The national debt was contracted on the basis of inflation, and is to be paid on the narrowest basis of the most merciless contraction. A thousand-dollar bond for which only $600 in gold was realized by the Government, in its distress, at the time of its issue, has now to be taken up and paid for with over a thousand dollars in gold by the tax-payers. The farmer who bought land with deferred payments; the mechanic who purchased a house and lot and made a mortgage for the balance of the purchase-money; the business man who uses his credit as a part of his capital, have all found the weight of their obligations largely increased by being deprived of the means of meeting them. They must be met, however, and property itself, in the absence of money, changes hands from the debtor to the creditor classes in payment of debts. It changes hands, too, at such

reduced values that the business man is sold out and closed up, and homes are swept away, often for the want of a very small sum of money.

Since the act demonetizing silver, supplemented as it has been by the act for a forced resumption of specie payments, the property of the people of the United States has shrunk not less than 35 per cent. in value. What could be sold for $100 five years ago can be bought now for $65 on an average all over the country. This is a criminal confiscation of property amounting to not less in value than $10,000,000,000 when the estimate is applied to every State and section alike. In this vast shrinkage of all values, arising from the shrinkage of money in circulation, is to be found the immediate cause of that general bankruptcy and ruin which now fill the land with the sound of falling business houses, commercial failures, broken savings banks, and the lamentations of the poor who have been robbed of their hard earnings and of the opportunity to earn more. Under the influence of this policy nearly forty thousand business failures have taken place in this country since February, 1873, with liabilities amounting in the aggregate to over $1,000,000,000. The heart sickens in thinking for a moment of the sorrows, the broken hearts, the shattered hopes, the suicides which these figures represent. If the policy of this Government has been to inflict the greatest misery on the greatest number its success has been complete. It is in vain to attribute such wide-spread disasters to other causes. We sometimes hear them ascribed to what is vaguely styled overproduction. I would gladly know what is meant by this oracular term. Overproduction! What is it that we overproduce? Is there too much food, clothing, and other necessities of life? Has the soil yielded too much wheat, corn, hay, cotton, sugar, rice? The producer is one who creates wealth, and overproduction would therefore signify too great an amount of wealth. It will be hard to convince a sane mind that an overflow of wealth is the cause of depression and gloom, of financial calamities and rapidly increasing poverty, and of laborers praying, and praying in vain, for the privilege, once afforded to slaves, of working for the bare means of subsistence. The mission of wealth produced by toil from the bosom of the earth is far different from this. Unless deprived of its natural functions by pernicious laws it brings abundant happiness to a people and establishes smiling content in their midst.

But the cause most commonly assigned by the authors of our financial policy for its baleful effects on the business and labor of the country is that the currency has been and is yet in an inflated condition, and that real prosperity can only be attained by its reduction to the gold basis. The evils of inflation have been painted in the darkest colors for years past, and on all occasions. I am not an inflationist in any sense that would disturb the true interest of trade and commerce, nor would it ever be necessary to discuss the question at all if the contractionist had only been willing to let the volume of our currency remain at the point where the country prospered most and the people were happiest. A comparison between the periods when our paper circulation was greatest and the years of contraction which have followed is crushing to the advocates of the latter policy. During the whole four years of 1863, 1864, 1865, and 1866, when the volume of our currency averaged over a thousand millions, the business failures of the entire country reached only twenty-one hundred and sixty-seven; less in number than occurred in any three months of the year just closed. Is this an argument against a full and generous circulation of money? During the period which is now stigmatized

as one of inflation the windows of business houses were not darkened, and business men did not go as mourners about the streets. The laborer did not go home without bread to his wife and children. Helpless millions did not cower and tremble at the approach of winter for the lack of food and shelter. The public peace was not broken by riots in resistance to starvation wages. The courts were not principally occupied in enforcing collections, foreclosing mortgages, ordering sheriff sales, or in punishing the destitute and the outcast. These are some things which did not take place. Others that did are equally striking. Good wages and good prices stimulated every laboring-man's muscle, every business man's brain, and every power of machinery into the highest and most productive activity. Hope and encouragement were in every heart. New farms were bought and cultivated; new workshops were opened; new manufactories were established; new towns and cities were founded, and old ones expanded and improved; new railroads were built, giving employment to millions and bringing the remotest and most obscure regions into immediate contact with trade and civilization; new mines of iron, coal, and silver were sunk into the earth, whose contents in return assisted in the glad work of a universal, individual, and national prosperity. Am I to be reminded that this well-known condition of general welfare and happiness was a delusion, that it was unreal and could not last? Why was it a delusion? Were not its comforts and blessings a reality to the American people? But why did it not last? But one answer can be given: The money power determined it should not last. The Garden of Eden before the fall was not more hateful in the eyes of Satan than was this picture of plenty and prosperity to those whose gains and profits depended on the scarcity of money in the hands of the people and consequent hard times. They began their work of spoliation in 1866, and they have made the downfall complete. They have haunted these halls; they have thundered at these doors; they have fortified themselves in the high places of this Government, and, whether by deceitful persuasion, artful speech, or open menace and assault, they have not ceased to bring blight and ruin to the people. The very madness of avarice has impelled them from blow to blow, from act to act. The picture of general welfare that I have drawn, indeed, did not last. It has been defaced, torn, stamped under foot by the repeated acts of legislation inspired by remorseless greed. The people asked for no such change. They never sent petitions here asking for any of the enactments of the last twelve years. They would have been glad to be let alone and to allow the natural laws of trade and business to work out a safe solution of every financial problem. Loud complaint is now made by thoughtless or designing persons that the question of our finances is under agitation. Every act of legislation thus far has been dictated by invested capital, and not one by the people. Every agitation of the question in Congress, until the present, has been made in the same interest and to gain additional advantages.

The people thus far have borne their wrongs in the forbearing hope that they would cease, and if now they rise at last and see to it that their rights are better respected, it is because the full measure of their patience is exhausted. When their prostrate and suffering condition, however, is forced on the unwilling recognition of the money power, we are often met with the impatient argument that it is not for the Government to make money for the people. I might content myself with answering that it is certainly not for the Government to

destroy money for the people. Those who deny the right of the Government to regulate the amount of currency in circulation overlook the fact that they have been dictating that very policy to be pursued for themselves; only that they have always caused it to be regulated downward instead of upward.

But what is the duty of the Government in this regard? Is it true that the people are not dependent on the policy of their Government for money on which to do business? Is it true, as often asserted, that in some way or other those who are willing to work, or have something to sell, can always obtain money regardless of all financial legislation? No greater fallacy than this was ever put forward in defense of wrong and injustice. Money is the creature of government both as to quality and quantity. It exists merely by the assertion of law, and in no other way. Article 1, section 8, of the Constitution of the United States provides that "The Congress shall have power * * * to coin money, regulate the value thereof, and of foreign coin, and fix the standard of weights and measures," and section 10 of the same article denies all such powers to the States, thus making Congress the exclusive creator of money for the American people. Without the action of Congress not one dollar can exist in the United States. If the article called money, whether of gold, silver, or paper, is necessary at all in the transactions of life, here alone is the fountain from which it emanates. How, then, shall this high power be exercised? Shall only enough lawful money be created, in proportion to the labor and other commodities which it is designed to pay for, to give ten cents a day to the laborer, and $10 for a horse; or shall it be furnished in sufficient amount to afford a just equivalent for labor and for every other thing of value? On the answer to this question has depended the prosperity or the adversity of the American people in all the past; on it their present deplorable condition can alone be explained, and their future fate foretold. A circulating medium being a recognized necessity of civilized nations, and its existence depending solely on national authority, that government which, for any reason, fails to make a supply adequate to the business prosperity of its citizens, violates that fundamental compact of duty which must prevail in every free political commonwealth.

Not only, however, has this Government failed in this great duty, but the manner it has adopted to furnish the people with their limited and insufficient supply of currency was conceived and perfected by the owners of retired inactive capital. The system of national banking now in use is the most elaborate and complete scheme for making the people pay tribute to wealth, in order to obtain a circulating medium, ever known in the financial history of the world. There is not a dollar to-day in the hands of the people on which they have not paid a tax for the privilege of having it put in circulation by the Government. The national bank is the middle-man between the Government and the people, and is enormously paid for doing what the Government ought directly to do itself. According to the report of the Comptroller of the Currency there were two thousand and eighty national banks October 1, 1877, and they owned in even numbers $336,000,000 of Government bonds as the basis of a bank-note circulation of $291,000,000. The interest paid by the people on the bonds thus used to secure a currency on which to transact their business amounts to not less than $16,000,000 per annum. This is the tax paid for the bank-note circulation. The bondholder has been made the banker of the country, and he is banking on the interest-bearing debt of the people. For every $100 of currency they pay him

nearly $6 interest on the bonds which secure that hundred. His advantages, however, only begin with this bonus of sixteen millions.

The report of the Comptroller shows that, October 1, 1877, the national banks had loans outstanding to the amount of eight hundred and ninety-one millions. No one will pretend that these loans are made on an average interest of less than 10 per cent. This makes an interest account of eighty-nine millions per annum, and this is an under rather than an over estimate. Of other bonds, stocks, debts, real estate, specie, currency, clearing-house exchanges, United States certificates of deposit, and all other resources, the property of the national banks, at the above date, amounted to something over five hundred and fourteen millions, which, at the low rate of 5 per cent., makes an additional interest income of twenty-five millions. The following statement will therefore correctly represent the facts:

October 1, 1877:	
National banks	2,080
Resources	$1,741,000,000
Interest on resources paid by the people per annum	130,000,000

In return for the establishment of this stupendous money power it simply acts as an agent in transmitting the currency of the United States from the Treasury to the people. Will any one pretend that a cheaper and more equitable mode of supplying the country with a circulating medium cannot be framed by our legislative wisdom? In fact can any one for a moment defend such a system of monopoly and oppression? He who desires its permanence desires also the permanence of the national bonded debt. The two are inseparable. One rests upon the other. If the national banks are a blessing then our public debt is a blessing, for the debt supports the banks. This idea is embraced in the act of January, 1875. Provision is made in the third section of that act for an increased number of "banking associations" to be based on an increased number of interest-bearing bonds sold for that purpose. They are armed too by this section with hostile powers against the legal-tender greenback. With the aid of the Secretary of the Treasury they are authorized to exterminate this favorite money of the people. For every $100 issued after the date of the act of January, 1875, by the national banks then in existence or organized afterward $80 in legal-tender notes are to be withdrawn from circulation and destroyed until that currency is contracted to the limit of $300,000,000. The purpose of this legislation is to make the banks completely master of the financial situation and to subordinate all the wants and interests of the American people to their will and pleasure. And in order to facilitate this purpose the greenback dollar has been denounced with every epithet of contempt and derision known to the English language. I will not pause now to defend this great money in its contest with those who are bent on its destruction. Its reputation in peace and in war is known to all. The soldiers and the sailors knew it in the great hour of peril; their widows, their orphans, and their maimed and crippled comrades have known it ever since. The people of every class and of every party, engaged in business and labor, know that, in spite of all assaults, in spite of the fact that the Government dishonors it by refusing to take it for Government dues, and in spite of the fact that there is not gold enough in the Treasury to redeem it at ten cents on the dollar, yet to-day it ranks but 3 per cent. below gold in the money markets that are most hostile to its existence. All these things are known and treasured up, and I do not dwell upon them now.

Sir, thus far I have spoken in pointing out what I conceive to be

the vicious legislation of this country on the great and paramount question of its finances. There are two opposing ideas on this subject now thoroughly aroused into vigilance and activity. On the one hand is the vast money-power in all its various developments of bonds, banks, and loaning associations, and on the other are the great industries, the active business, and the laboring people. The issue has been years in making up, but it is now joined. Nobody need be deceived. All the wide-spread influences of capital are organized and combined. The holders of public securities in America and in Europe work together. They think and act in concert.

The national banks of the United States have a solid organization to protect what they have and to get as much more as possible. They are asking now to be relieved from paying taxes on their circulation and deposits, in order that they may enjoy their enormous profits free from all burdens for the support of the Government. Associations of capitalists, engaged in obtaining mortgages at 12 per cent. interest on western farms, on account of the scarcity of money in that section, are not only striving to make all such mortgages payable in gold a year hence, but they are threatening those in pecuniary distress that they shall have no further favors at the same rates unless they agree in advance to pay gold in return for greenback loans. The power of money in the midst of times like these is very great, but I am much deceived in the people if they have not turned at last in defiance and bold warning upon their oppressors. They are not in favor of repudiating a single dollar of their public or private debts. They intend to pay everything they owe, but they intend to submit to no more changes of contracts, violations of obligations, and breaches of public faith, in order to increase their indebtedness or to take away their means to pay it. They demand, too, that certain specific wrongs shall be redressed.

First, those for whom I speak demand the restoration of the silver dollar exactly as it stood before it was touched by the act of February, 1873. They desire that it shall have unlimited coinage, not fearing that it will become too plenty for their wants; and that it be made a full legal tender, believing that it is as good now with which to pay all debts, public and private, as it was during eighty-one years of American history.

Second, they demand the repeal, unconditionally, of the act of January 14, 1875, compelling a resumption of specie payments in January, 1879, holding that the question of a return to a specie basis for our currency should be controlled entirely by the business interests of the country. They do not believe that the country should be dragged through the depths of ruin, wretchedness, and degradation in order to reach a gold standard for the benefit alone of the income classes.

Third, they demand that the national-banking system be removed and a circulating medium provided by the Government for the people, without taxing them for the privilege of obtaining it. And they ask that the amount thus placed in circulation shall bear a reasonable and judicious proportion to the business transactions and the population of the United States.

Fourth, they demand that the currency circulated on the authority of the Government shall be made a legal tender in payment of all debts, public and private, including all dues to the Government, well knowing that it will then be at par with gold, or more likely at a premium over it.

And fifth, they demand that hereafter the financial policy of the country be framed permanently in their interest; that they shall not

be discriminated against in future legislation as in the past, and that their prosperity, and not the mere growth of incomes to retired capitalists, shall be the primary duty of the Government.

In my judgment, these demands are just and moderate. I implore Senators not to suppose that they can be disregarded with safety. If they are rejected now they will be renewed hereafter with still greater determination and perhaps with others added. I plead for the financial credit of the Government. It rests on the popular will alone, and that will can no longer be defied or menaced with impunity. The people are sovereign, and they can bind and they can loosen. If the money power is advised with wisdom it will stop and retrace its steps. It confronts a power now mightier than itself: a free people at the ballot-box, inflamed by a sense of injustice and oppression. If, however, it is joined to its golden idol; if its heart is hardened and its neck stiffened by its vast possessions; if the burning lust of avarice has made it deaf to the voice of reason and blind to all human experience, it will push on in its career, until it works its own destruction; for, sooner or later, the people, irrespective of party names, will unite in their own defense and establish justice. They have been slow to believe that there was a deliberate purpose to degrade and impoverish the great producing classes, but they are being rapidly educated now. The condition of the country is a teacher whose awful lesson is engraven on all their hearts. They have also recently read the proclamations of the great organs of the money power, removing all disguise as to the meaning of our financial legislation and the misery it has created. In the columns of one they have read that—

> The American laborer must make up his mind henceforth not to be so much better off than the European laborer. Men must be content to work for low wages. * * * In this way the workingman will be nearer to that station in life to which it has pleased God to call him.

In the columns of another organ of consolidated capital they have read the following revolting sentiments:

> There seems to be but one remedy. It is a change of the ownership of the soil, and the creation of a class of land owners on the one hand and of tenant-farmers on the other; something similar in both cases to what has long existed and now exists in the older countries of Europe.

And in every form in which the English language can be used the American people, and especially the people of the West, have been notified, not that their consent will be asked, but that they will be compelled to submit to the legislation which results in this British system of baronial landed estates, a dependent tenantry and pauper wages for the workingman. Sir, I have no word of menace to utter on this floor, but, in behalf of every laborer and every owner of the soil whom I represent, I warn all such as value their investments that when these doctrines of despotism are sought to be enforced this fair land will again be convulsed in agony and the fires of liberty will blaze forth again, as they did a hundred years ago, in defense of the natural rights of man. May the wisdom of our fathers and the benignity of our God avert such an issue; but if it shall come, if infatuation has seized our councils, the result will only add one more instance to the long catalogue of human crime and folly, where avarice, like ambition, overleaps itself and in its unholy attempt to rob others of their possessions loses its own.